EXHIBIT

"4-A"

M. PETERSEN

MR. BAKEN: Objection again. The witness didn't say she mentioned Mr. Tunstall.

MR. HALTER: Yes, he did.

BY MR. HALTER:

Q What did she say about Mr. Tunstall?

A No, no. I believe I said the main content of the conversation was on this document.

Q Did she mention Mr. Tunstall?

A I think I also said she may have, but I don't recall that part.

Q What did you do to investigate her complaints about being underpaid?

MR. BAKEN: Objection as to the form of the question. Characterizing it as a complaint.

BY MR. HALTER:

Q Did she complain that she was being underpaid?

A No, she requested an increase and provided data to say, "Matt, look, this is why I think I am justified to get an increase."

Q So she wasn't complaining that

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she was underpaid?

MR. BAKEN: Asked and answered.

THE WITNESS: It, it wasn't, it wasn't angry, it wasn't -- no, it was asking a question or making a request.

BY MR. HALTER:

Q It is only a complaint if it is angry?

MR. BAKEN: Objection, argumentative. He has answered the question. She didn't make a complaint.

MR. HALTER: No, he hasn't.

MR. BAKEN: Yes, he has. She didn't make a complaint. She had a conversation.

MR. HALTER: You have answered the question. He has not given any answer.

MR. BAKEN: No, you're either not listening or you're trying to get him to say something that is not true.

MR. HALTER: Really, I just think your objection is ridiculous. But I am trying, since you objected, I am trying to get a question and answer

MR. HALTER: Read my question back.

MR. BAKEN: I am not pressing you about the time period.

MR. HALTER: Read the last question back.

MR. BAKEN: There is no sword of Damocles hanging over your head.

MR. HALTER: Read the last question back, please.

Objection to form, that is what you are limited to say.

Read the last question back, please.

(Thereupon, the record was read back by the reporter as recorded above.)

MR. HALTER: Right, it was a yes-or-no question. He said no one is happy, right? In fact, he didn't even answer my question.

MR. BAKEN: He was about to try to answer the question, but you interrupted him.

BY MR. HALTER:

Q Okay. Go ahead.

A So, again, throughout my position

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here, I have got 200 employees just in this spot. There have been many times, Kate McHugh and Shewan (phonetic) or Brian Aronowitz have come to me and say, "Matt, I am underpaid," or "Matt, I need a raise," or "Matt, can I make more money?"

I don't see that as a complaint. I see it as I need to talk to my boss because I need to make more money, or I think I am more valuable; let's talk about it.

Q Did she say she needed to make more money?

A No.

Q Did she say she had some family obligations that required her to make more money?

A No.

Q She said she was being underpaid, right?

A She gave me a document and that document was, you know, an online search and said, "Here's why I think I am being underpaid."

Q What did you do when you, after you had that conversation with Ms. Yeger?

A Well, the first thing -- well, do you want -- the first thing I did is I said, "Debby, this isn't your job title. You are showing me something that is the pay scale for, you know, corporate compliance and it is not connected to a school." So, I said, "Listen, I hear you. Let me go back. Let me do some of my own research, and let's meet again." Would you like me to continue?

Q Okay. Go ahead.

A So, I went online and this was, I mean, a couple of days. So I went online, pulled up a couple of things that I thought were relevant, you know, director of financial aid at a for-profit, at a couple of for-profit schools, and the number came to, you know, at least on the documents, around 65 or $70,000.

We met and I said, "Debby, here's my data. This is where, this is where I think we are." And we went through it a little bit longer. It wasn't long. And I said, "Take it, digest it."

And this is what I say to many of my folks that have this. "Take it, digest it. This isn't the last conversation. Come

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back to me if it is wrong."

Q Did you tell anybody else about the conversation?

A I have no idea.

Q Did you keep it confidential?

A I don't -- did I keep it confidential?

Q Uh-huh.

A I don't know if I would have had to have kept it confidential.

Q That wasn't my question.

Did you keep it confidential?

A My guess is the only person I would have talked to it about was my director of human resources, possibly. But it wasn't -- these weren't big things. I have these conversations with lots of -- not lots. On -- this wasn't one person in my history doing this. This is something that happens a couple times out of the year. I didn't think it was a big deal.

Q Are you aware of any complaints that Debby made about your behavior, other than the hand issue?

MR. BAKEN: Objection to the form.

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That is about, that is what I got.

Q You understand my question was a yes-or-no question, right?

A Sorry. I will try and keep -- if you want me to answer just yes or no, please just tell me.

MR. HALTER: Can I have this marked as Petersen 25, please.

(Thereupon, the document was marked Petersen Exhibit 25 for identification, as of this date.)

BY MR. HALTER:

Q Have you ever seen this document before?

A I know there's two of them. If this is one of those two, yes.

Q When did you first learn of this document?

A I am sure shortly around this time. I am sure the day it was delivered.

Q How were you made aware of it?

A Mary Anne Kennedy would have told me.

Q What did shy say?

A I don't remember specifically.

Maybe, "Matt, we got a letter from Debby today," or something like that.

Q She showed it to you?

A I don't know if she showed it to me or if the lawyer that we got engaged, if that is when it was shown to me.

Q You understood it was a complaint of discrimination, correct?

A I do. At this time.

Q Who else was aware that Ms. Yeger made a complaint of discrimination in this February 26th letter?

A Very few people.

Q Who?

A My guess is Rick Smilow. My guess is no one but an executive and a senior, senior executive. That's my, that's my belief.

Q And Mary Anne Kennedy?

A She was a senior executive.

Q What is her title?

A Director of HR, but she was one of our five -- she became a member of our five-person meeting.

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A Well, here's the thing. In my process, this was in Mary Anne's court. Mary Anne is the professional. Mary Anne is going to handle it right. I told her to -- now, I wasn't her boss. I don't think I was her boss at that time. I told her to speak to Joe about it and figure out what to do.

Q After Mary Anne spoke to Joe, do you know what she did?

A After Mary Anne spoke to Joe, do you know what she did? I think this is where this, you know, possible Mary Anne tries to broach, you know, Debby to talk about what is going on here.

Q That happens in --

A After, after this one, right?

Q Let's look at Petersen 26.

(Thereupon, the document was marked Petersen Exhibit 26 for identification, as of this date.)

BY MR. HALTER:

Q It is the second letter, right?

A Yes.

Q When did you first learn of this

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letter, the second letter?

A Probably very close around this time.

Q July 3rd?

A Well, I don't know specifically. Probably as soon as Mary Anne got the package, she came in and said, "Matt, we got another one."

Q How did Mary Anne get a package?

A I think it was FedExed to her.

Q By whom?

A I would assume Liddle & Robinson. I think this letter -- these letters somehow came to Mary Anne.

Q So it is your testimony that you recall this Petersen 26 coming to Mary Anne directly by FedEx?

A No, I --

Q Even though it says by e-mail to Joe Lynett?

A Here's what I will tell you. My, I, I think that Mary Anne would have been the person to tell me about it.

Q Were you interviewed in connection with the second letter?

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was your -- if a student was present -- well, let's talk about how it changed over time. But initially it was, "Debby, when you see that there's students waiting in financial aid, please come and help."

And then that didn't work, so we went to -- because she wanted to be told specifically when to meet. Then it was, "All right, well, when Vin or Antonia ask you to meet with students, please do so." And that never, that wasn't working. That was the problem. "I absolutely, I know you met with students. That was good. The problem was we had to do it when we needed you to do it, and it couldn't be just to, you know, take a form or, you know, show him how to sign an exit interview." It had to be all in.

Q Let's go back to Petersen 27.

A Okay.

Q The July 24th memo.

Let's look at the Monday, July 15th thing. "Alex Ferguson, 3 p.m., Debby and Antonia were at Antonia's desk

M. PETERSEN

Sitting here today, he knows.

BY MR. HALTER:

Q Was it the first day or very soon thereafter, if you don't remember that?

A Well, here's the thing. Within a couple of days, Martha was out of her mind with Debby. So, I believe very shortly what -- listen, my, my thinking and it would be okay in my opinion is if Martha is coming and saying, "Oh, my gosh, I can't work with this person already." Martha had a big problem very, very early on.

MR. HALTER: Can I have this marked as Petersen 30.

(Thereupon, the document was marked Petersen Exhibit 30 for identification, as of this date.)

BY MR. HALTER:

Q Petersen 30 is the e-mail we are talking about, right.

A Petersen 30. Yes.

Q June 10th was Martha Padilla's first day, right?

A I don't know. The records, I am

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sure, will though very clearly.

Q Do you have any reason to doubt that June 10th was Martha Padilla's first day?

A No, not at all.

Q On her first day, she came to you and said she has issues with Debby?

A My guess is no, but on her first day she found -- so, it was a -- there was a lot of problems with financial aid at that point in time. And Martha, Martha was coming in to an office where, where we had two directors and those directors weren't going to be -- well, Vince wasn't going to be there any more, and Debby Yeger wasn't going to be her peer. So nothing other -- and I was careful about this. The only -- there was very little shared. I said there is a change here.

Q Very little shared by you. That is an important clarification?

A Excuse me?

Q Very little shared by you. That is an important clarification here, right?

A Yeah, absolutely, absolutely.

M. PETERSEN

Q At the time Antonia worked in financial aid, right?

A Yes, definitely.

Q At the time Sophia Sutter worked in financial aid, right?

A I would assume so, yes.

Q At the time Vince Tunstall still worked in financial aid?

A No, wait. Yes, yes.

Q Was that Vince Tunstall or Sophia?

A Vince Tunstall was still working in financial aid on a -- we were pretty flexible with Vin. I gave him like 60 days to work things out on his end. But before Martha came on, it was determined that Vince was moving on, and Martha was going to need to pick up everything that he was doing. So there was going to be a job handoff the first day that Martha was there.

Q Right. You said there were all sorts of problems in financial aid and you said it was understaffed. But it wasn't understaffed that day, June 10th?

A It wasn't understaffed that day,

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June 10th.

Q In fact, there were five employees on that day, right?

A Yeah, I don't disagree with you.

Q Who made the decision to suspend Ms. Yeger's employment in July of 2013?

A July 2013, was that before Martha arrived? July 13th?

Q How many times was Ms. Yeger suspended?

A Once.

Q Who made the decision to suspend Ms. Yeger whenever you think it occurred?

A I think I did. I think I had to. Or, no, Martha wanted to get rid of her. Mary Anne wanted to get rid of her. And the tipping point for me was when in the meeting she continued to refer to, I believe -- the reason why she was put on administrative leave was I think this was the point where she continued to talk about Martha as her peer, and that was just -- I mean, and this is the point where Martha is telling me, "Matt, I am leaving. I can't deal with this

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person. I am out."

So, at this point, I had to reintroduce myself back because Debby wasn't taking direction from Martha. And Martha point blank told me, "Matt, I don't need this job. I am leaving. I don't need this." And so the final decision to fire somebody or put them on leave at this point here would have been me.

However, I think we took a pause, and I reached out to Rick, I reached out to Brian, probably not Richard. And I said, "Guys, this is where we got to go here," or "This is where I think we got to go here." And they gave, you know, everybody gave the nod and we did it. So I think it was a consensus.

Q To suspend her?

A Yeah. Or they nodded me to say to do it. But it was me. When I heard that, you know, I am not going -- this person is my peer. She doesn't get allowed to look at my PTO. She is not allowed to tell me what to do. You know, I want to sit where I want to sit. But it was the peer

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thing. That was...

Q Debby is still director of compliance, right?

A Debby was director of compliance, yes.

Q And Martha is director of financial aid, right?

A Yes.

Q Previously those were peer positions, right?

A They were, but let me be very clear. When Martha came on, I sat down with Debby. I said, "Debby, there is a change." I am COO now. At this point I have gotten additional responsibilities for quite a few more departments. I can't remember. And I saw what happened with Vince and Debby.

I had a person. I thought we made the right, the right hire with Martha who, you know, $75,000 or $70,000 a year. She worked in a similarly situated for-profit school as the director of financial aid for quite some time. And she was also an external auditor.

I couldn't baby-sit this

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department any more and I needed one person to make this work. So before Debby -- before Martha came, I sat with Debby. "Debby, you report to Martha now." And it wasn't -- it was pretty clear in my mind.

In the offer letter, I believe I indicated that, or I communicated it with Martha that she was going to be the lead and report to me for financial aid. And maybe it wasn't in the offer letter but probably the first day, the first day is probably when I told Martha, "Look, we are here now. Vince has been officially told that he is leaving or will be told." I think I told Vince that day that we were going to have to do something, but I can't remember.

Q How do you account for the salary disparity between Martha Padilla and Vince Tunstall?

A First of all, I didn't make the hire decision for Vince Tunstall. Here's the deal. At a school that is, that has got 30,000 students, or some crazy number, probably a hundred million dollars in financial aid and

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25 direct reports, I think he provided us his records that he was making around that amount of money and he would not come for less than that amount of money.

Also, a problem is we were never -- I was never -- you know, we had a plan and I think Brian, you know, from that document you saw earlier, didn't remember it, but, you know, Brian, a reach there was 95. He put an ad in that was 80 to 85.

Simple. The guy came with a huge background. He was the university director of financial aid and that is what he was getting, and we hoped he would change the selling process or improve upon the selling process greatly.

Q So, you made the decision to, you made the decision based, to pay Martha Padilla her salary?

A Yeah.

Q And you made the decision to have Ms. Yeger report to Ms. Padilla?

A At that point I was probably the -- I was -- I was probably the

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initiator. Those types of things were talked about, though, with the team.

MR. HALTER: Let's take a break.

(Whereupon, a recess was taken from 5:50 p.m. to 6:03 p.m.)

BY MR. HALTER:

Q You said that in consultation with others, you made the decision to put Ms. Yeger on administrative leave; is that right?

A Yeah, that is -- no manager is going to be able to make that decision but me and Rick.

Q Why did you do that? I should clarify. Why did you do that instead of fire her?

A Because I thought we could, if we made it a little bit -- well, number one, and on several occasions I told Debby I thought she had a value to the company. I told her that we weren't going to lose financial aid with her here, but she needed to make some changes. And honestly, I thought that it was, this was so, this was so objective we could fix it. And we -- I

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thought we could fix this.

Q What did ICE do regarding Ms. Yeger while she was out on administrative leave?

A First of all, I think I was on vacation, or around that point was on vacation. And I think, I know Mary Anne had meetings, trying to find out what the true story was. I am not aware of anything else we did outside of that.

Q Well, Mary Anne Kennedy had prepared a memo by July 24, 2013.

A Okay. What exhibit is that?

Q Petersen 27. I am not actually talking about it.

A Oh.

Q Did she do anything after that?

MR. BAKEN: Object to the form of the question.

THE WITNESS: I don't know.

BY MR. HALTER:

Q When was Ms. Yeger put on administrative leave?

A I don't have the dates, guys.

Q What changed with respect to

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Ms. Yeger between the time she was put on administrative leave and --

A She came back.

Q -- the time she was brought back?

A Well, I believe Mary Anne Kennedy made the recommendation to fire her, I believe. I was on vacation. I didn't want to do that. I don't think a lot changed specifically about Debby, but I know that it gave Martha some breathing room.

I know we had a talk about, you know, "Martha, where do you want to go from here?" And there was probably also a feeling of, you know, let's, let's make this, you know, there is no urgency to act, because we were paying her. So, give Martha some time to think about it, give us all time to think about it, let me come back from vacation.

And what I would think is that as soon as I got out from under the tsunami of e-mails when you come back from vacation, and during it, we were trying to figure out where we should go from there.

M. PETERSEN

Q Who made the decision to bring back Ms. Yeger from administrative leave?

A Well, I indicated that we weren't going fire her, so I guess by that indication we were bringing her back.

Q So it was your decision not to fire her? Well, you said you put her on administrative leave rather than fire her.

A Right.

Q Did you always intend it to only last a certain period of time, the administrative leave?

A Quite frankly, I wasn't thinking of anything other than before this department blows up, we need to get everybody away from each other and figure out how we can make this work.

Keep in mind, this was going on -- what is this, July, July 13th, and I came on, you know, whatever the time is, September 12th. So, for eight months? Is that right, or was it September 11th? Anyway, during that entire time, it was taking up a tremendous amount of my time.

M. PETERSEN

Q When you put Ms. Yeger on administrative leave, you didn't tell her it was only going to last a certain amount of time, right?

A No. I don't think we did.

Q Certainly the possibility is that you were just going to fire her at the end of when you just, rather than taking her off leave, right?

MR. BAKEN: Objection as to form of the question.

THE WITNESS: That, that could be a possible solution simply because I didn't fire her that day and she didn't continue.

BY MR. HALTER:

Q What did you understand administrative leave to be when you decided to put her on administrative leave?

A It was continue to pay Debby, get her out of the office and remove her from the situation, and allow Mary Anne to investigate and figure out where we should go from here.

M. PETERSEN

Q What was Mary Anne supposed to investigate?

A I think she was supposed to talk to these individuals, these three or four individuals, and then also communicate with Martha.

Now, I will also tell you something. At this point, I considered Martha a very significant flight risk. So, I mean, my hands -- and here's the thing. I know a lot of people in financial aid, I know a lot of directors of financial aid. But if the director of financial aid and the director of compliance leave, and those are the two people that I trust to keep my financial aid, I got to be very smart about what I do there so that we don't blow up our business, even a little bit.

Q So if Martha had quit, you would have rehired Ms. Yeger as director of financial aid?

A I tell you what, I don't know what I would have done. Let us all keep in mind that we already knew that Debby was

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absolutely not going to be the person in charge of the employees in financial aid, nor the customer service process in financial aid.

But, listen, she did it. She established it. It limped along or worked. That certainly -- I mean, she could come back at that point. Rehire would suggest that I was going to fire, that I already fired her. So, I don't think that is the right word.

Q Okay. Who made the decision to change Ms. Yeger's title when she came back from administrative leave?

A I think that was me and that was pretty much -- I think that was me.

Q Who made the decision to move Ms. Yeger's desk when she came back from administrative leave?

A I think both of those recommendations were mine.

Q When she came back, who was assigned the responsibilities of compliance?

A Martha.

M. PETERSEN

Q Before Ms. Yeger's administrative leave, who had the responsibilities of compliance?

A By definition, Debby.

Q When Ms. Yeger came back, you took away her credit card, right?

A I think something to that extent and that was -- I think yes for some reason. I think Glen asked me about that.

Q Who made that decision?

A Getting credit cards and not getting credit cards around here is my decision. I don't know if that was decided when she came back. Maybe it was.

Q Who made that decision?

A It would be me.

Q Do you recall making the decision to take away her credit card?

A I recall it because I looked at documentation that said I -- well, wait.

Q You have now had your memory refreshed and recall doing that?

A I think somebody asked me about it. There is an e-mail. Somebody asked me about it, Glen, and I acquiesced to it. I didn't aggressively go after it. But what it was was Martha is coming on. The director of financial aid has to get a credit card, and normally only the manager in the department has a credit card. What do you -- you know, should we get rid of Debby's? Okay, because that is the way we work.

Q Did Mr. Tunstall have a credit card?

A I don't think so, no. I, I don't think so. I am not the, I am not the most stringent on that stuff. You know, I am more of the opinion let somebody have a credit card. If they make, if they make a mistake and spend too much money, then go tell them and we will move on from there. Glen is nice and tight with those types of things.

Q When Ms. Yeger came back, did she meet with students?

A I am sure she did.

Q Did you receive any reports regarding her performance after she came back from her administrative leave?

A Reports?

Q Did anyone tell you how she is doing?

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A I mean, I would -- the only person I really would have gotten that from was Martha.

Q Did you talk to Martha?

A Yes.

Q What did Martha say?

A I don't know specifically, but it was, "It is not getting any better. We are still continuing to have problems." And there got to be a point where again Martha was getting unhinged.

And, you know, there is a similar strategy that I use for all this. When somebody comes and makes a complaint about somebody else, I say, "Give me specifics." And then what we do is we go and grab all the parties and say, "This is what happened. Is this right? What should we do going forward?" And that is how we flush out problems.

Guys, I get complaints. You know, this is, you know, employees -- a workplace is an extended high school, and I am not about the nonsense, the nonsense. I want to find the facts out.

Q One of the complaints that Ms.

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Q What was the substantive difference between Debby's job after she came back from administrative leave and Debby's job when she first started at ICE?

MR. BAKEN: I'm sorry, could you read that one back.

(Thereupon, the record was read back by the reporter as recorded above.)

THE WITNESS: When Debby -- well, I --

MR. BAKEN: I just object to the form of the question.

BY MR. HALTER:

Q You can answer.

A So, when Debby first started here -- remember, that was a couple of years before I got here -- she was charged with the department. So that would mean, you know, soup to nuts, all the way up to that ultimate keep the school in compliance, which means do all your duties in a fashion that you get the students in and you do it in compliance so you don't lose Title IV. She, she ran that department, or she was

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charged with that entire department.

When she came back she was -- because Martha could not get her to see the students in a relegated fashion because of this compliance thing, Martha said, "Matt, give me compliance. Let's get this, let's eliminate yet another reason why she can't follow my direction. And make her see students." So I believe when she came back, her responsibility, I believe her sole responsibility, but I am not certain, was seeing students.

Q Wasn't that her sole responsibility when she first started at ICE?

A I don't, I don't know that.

MR. BAKEN: Objection.

BY MR. HALTER:

Q When did you first become aware that Ms. Yeger had filed a charge of discrimination with the EEOC?

A When the letter showed up, I guess.

Q When was that?

A I have no idea. We need to get the letter and the FedEx thing. It was certainly, I believe it was certainly after she was gone.

Q Are you aware that she filed that on October 2nd, 2013?

MR. BAKEN: Object to the form of the question.

THE WITNESS: I don't know. I can tell you specifically the day that that document came in, was FedExed to me, that is when I knew.

BY MR. HALTER:

Q Did you suspect that she was still complaining about discrimination?

A Did I suspect?

MR. BAKEN: Objection.

BY MR. HALTER:

Q While she was still an employee?

MR. BAKEN: Objection.

THE WITNESS: What?

MR. BAKEN: Just not clear.

BY MR. HALTER:

Q Between the time that she came back from administrative leave and when ICE fired her, did you have any suspicions that

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Kennedy that you thought Debby Yeger was going to file a claim?

A Listen, I -- in my life, this was the first time I ever got legal letters about harassment -- not even harassment. What are his words? Discrimination. I was flabbergasted by this meeting. And in my position to keep Rick abreast of things, I thought there was absolutely a possibility, sure. But I wasn't aware of anything other than the letters.

Q Why did you think that she would file a claim?

A Let me read this top one.

Quite frankly, I had never gone through something like this in -- in 15 years, about 10 years at a C level, I had never had -- chief level, chief financial, chief operating --

Q C level is a confusing term because it actually has other meanings.

A This was -- I had never in my life spent more time with a person in good faith. It was, this whole thing was a mess.

M. PETERSEN

There were legal letters involved.

We've had many staff leave ICE, but it was never like this. This was pretty, this was pretty distasteful. I mean, this was a lot of paper. So, I, I had reason to suspect, given what we had gone through, that yeah, Debby would file a complaint, or not even file. Whatever that means, this would not be the last time we spoke with Debby.

Q Gail Schorsch had filed a complaint by this time, right?

A Yeah. Or no, wait. Gail Schorsch had filed a complaint, but it was -- it was, it was so brief, it was so nothing, it was -- you know, when I talked to Janin, I gave instruction to please give this individual the benefit of the doubt, see if there is a way that you can get her more hours, and move on.

Quite frankly, before the complaint showed up, I don't know if there was communication about it. This was a very brief thing with Gail.

M. PETERSEN

Q You said that it had never happened before --

A No.

Q -- and I was challenging that before because it had actually happened before, right?

MR. BAKEN: Objection to form.

THE WITNESS: To this, what I was commenting on was to this level. This was an overwhelming amount of paper. Gail was a drop in the -- it was nothing.

BY MR. HALTER:

Q Well, you had started documenting memos regarding Ms. Yeger's performance and things like that, right? So a large part of this documentation is because you decided to do that, right?

A Let us be very clear. When it takes you six weeks to talk to your new supervisor about the basics of your job, that is going very badly.

When there is a failure to, after many meetings, to help your supervisor

M. PETERSEN

understand what it is you do and it is getting to the point where, you know, you are not showing up, you are not responding to me, you are hoping my interpretation is, you are hoping that this will go away, it was not off to a good start. And I have never had that experience before, that the person was so hard to push into what I tried to define as a very tight path.

Q Why do you call it a tight path?

A Well, I mean, I think my letters were pretty clear. "We need you to see students and -- we need you to see students and we think we can do it with 50 percent of your time. And after speaking with everybody, it seems compliance should be able to be done within 50 percent of your time." And first we said, "When you are looking through your window and you see people sitting down on seats because everybody else is busy, please come out and help." So that didn't work.

She requested specifically, "Please tell me when specifically I have to do this so I can concentrate on my compliance." We came back and said, "Listen, we can't have it that way. The most important thing" --

MR. HALTER: What was my question?

MR. BAKEN: Can he finish his answer?

MR. HALTER: I don't know. I don't know how much longer this is going to go on. But no is the answer to that question, if it is going to go on much longer.

MR. BAKEN: The answer to the question is the answer to the question.

MR. HALTER: No, it has to be responsive. What was my question?

MR. BAKEN: No, it doesn't. Not every question has to have a yes or no answer. You didn't ask him for --

MR. HALTER: It has to be responsive.

THE WITNESS: I remember what the question was.

BY MR. HALTER:

Q Go ahead.

M. PETERSEN

witness truthfully answer your question.

BY MR. HALTER:

Q Go ahead. Keep going. Finish your answer. It has only been going on for three minutes. Keep going.

A I don't know where I was any longer.

MR. BAKEN: You want her to read back where you were?

MR. HALTER: Oh, yeah, that's good.

(Thereupon, the record was read back by the reporter as recorded above.)

BY MR. HALTER:

Q Go ahead.

A The most important thing is timely seeing of students. So, if you can't take the judgment call of when you need to step in, and you are asking me, "Tell me specifically when I need to step in," okay, "Well, then Vin is going to tell you when he needs you."

So at that point when my instruction is, "See students when Vin needs you to see students. If your compliance is running behind schedule, please come and

M. PETERSEN

talk to me," that is pretty clear, because I certainly don't want our compliance to go in the stinker.

Q What would have happened to Ms. Yeger if ICE had failed its audit?

MR. BAKEN: Objection.

THE WITNESS: If ICE had failed its audit.

MR. BAKEN: Speculative.

THE WITNESS: First of all, ICE isn't going to, ICE isn't going to fail its audit. We are good people. We are not stealing from the government. We got employees that know what they are doing. We specifically have Vince that knows what he is doing.

In my history of being in for-profit education, we never needed a compliance officer. So, the thought that we were going to fail our audit was not even possible. Do you understand --

BY MR. HALTER:

M. PETERSEN

Q Right. That is a serious thing, right?

A I agree. We don't do that. And that is not her role.

Q Right. It was definitely never her role, right?

A Yeah, that was never her role.

Q Okay.

A At least that was never her role when I was there.

Q Who made the decision to terminate Ms. Yeger's employment?

A Who made the decision? Me.

Q Why?

A Well, first off, let's start. Martha wanted her removed months earlier. Mary Anne wanted her removed months earlier. I made the decision -- I can't -- in that meeting, it was another -- this was just again another meeting. Okay, it wasn't even -- I don't even think this meeting was about not seeing students. This was simply about, you know, things that Martha didn't want Debby to do any more.

We got to look at the document.

M. PETERSEN

Specifically, I don't even think there were complaints -- I remember, I remember what the focus was. It was Martha came to me and said, "Matt, she is making people do all these things. I don't know what to do."

"Martha, get a list, give me the details, and we will go through it with Debby. We will make -- we will understand the situation. You will indicate how we are to move forward with future incidents like this that pop up. I am sure Debby will say okay and let's move on."

At the -- so I think there was -- it was trivial crap. But at the end of it, and there might have been other things, but I mean the thing that -- so at the end of this meeting all was fine. You know, let's go back, and Debby is continuing to, continuing to build the blinders for Debby so she can go down the path.

And at the end of it Martha, at some point in time, said, "Matt, listen to this." So I listen to some e-mail. And I listen to some e-mail and she goes -- okay,

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I listen to this e-mail, you know, of an upset student, you know, wanted to talk to Debby. Big deal.

So I called Debby or Martha called Debby. Or somehow I got to her voicemail, and it said, "Hi, you have reached Debby." I don't know the rest. And it said, "Talk to Vince Tunstall if I am not here," or somebody else who wasn't there any more. So at the end of the meeting, I said, "Listen, Debby, change your voicemail by the way. You know, it's still got Vince on it." Again, not a, this was not a hostile situation here.

She looked at me and she said, "I haven't had access to my phone since I came back. I don't use, you know, I don't use my phone," or "I haven't had access to my phone."

Then I said, "Well, in two months you haven't, you haven't done anything or talked to anybody?"

I think the first thing she said is, "Well, I don't communicate with my students via phone. I tell them to e-mail

M. PETERSEN

me." Okay. Well, "Matt, in this period of time, I have, you know, I haven't been able to answer my phone. It is broken."

"Did you tell anybody?"

"No. Oh, maybe Antonia."

So, that was about all I got. We -- from there I just said, "Debby, I" -- the foundation of trust, the foundation in knowing when, you know, students who are paying 30, 40, 10, or $12,000 a year are going through this department and they need this department to get the money to come here, that we are not answering our phone was just flabbergasting.

So, I went out, I quickly talked to Antonia. "Antonia, has anybody" -- first of all, I got John. Said, "John, come on down." Then talked to Antonia. "Antonia, did Debby ever tell you her phone wasn't working?"

"No."

Do you want me to stop? I know you are timing me. I am giving you what I know.

So, Antonia said, "No."

M. PETERSEN

Okay. "John, go test this phone. Anything wrong with it?" Well, first of all, the phone is blinking with the message button, which means there's messages on it.

"Matt, no, it works. You can access the e-mail and everything."

Okay. So, at that point I have, I am thinking that, you know, she fractured our trust, she fractured my trust. You know, I think then we had an investigation again or talked about it again. We brought Debby in. We wanted to make sure we got our notes straight. You know, it was Debby, it was Mary Anne, it was Martha, it was Matt.

"Debby, this is what you, you know, this is what you said. This is" -- and that culminated into that note. And at that point, we made the decision to terminate her. That is it.

Q The voicemails, were they on the extension at the desk Debby sat or on her old desk?

A Well, it doesn't work that way. Our system doesn't work that way. Our

M. PETERSEN

A Is this the first draft?

Q First draft I showed you. I don't know whether it is. It is the first draft that I found.

A Okay.

Q First page, last sentence, "Given the amount of time I have dedicated to working with Debby in defining her role at ICE, along with the number and tenor of communications that I have provided, it is not clear to me how we can work together successfully."

Is that an accurate statement?

A Is it an accurate statement? Here's the funny thing. So, Mary Anne said, "Fix these things but focus on the words more." And I remember having a conversation with Mary Anne about this.

It was -- okay. So this is four months that I am working. And -- with her. And then before this goes out, I get her self-assessment and it has all fives. It has her as the best employee. It has her as the best employee with the exception of one,

M. PETERSEN

one category, and I -- after all of this work and communication, how she could think that this was working out well, blew me away.

So, yes, at this point I am scratching my head and I want to tell her, "We have spent four months. We are not getting anywhere, and then you just gave me a self-evaluation that says you are perfect in every category except for one. Mary Anne, I don't know how I can get across to her." So that is, that is my comment.

Q If you look at Petersen 34, it is the e-mail between you and Rick Smilow.

A Okay.

Q There is a note about M. Hejazi, H-E-J-A-Z-I. Do you recall this?

A No, but okay. Would you like me to read Hejazi?

Q I just asked you if you recall it.

A And I said I don't. I said I don't.

Q This is a complaint by Rick Smilow about the phone system, right?

A So read the first -- okay. Ownership of the phone system. Okay.

M. PETERSEN

BY MR. HALTER:

Q So who made the decision to fire Vince Tunstall?

A Me.

Q Why did you make it?

A The -- so what he was brought in to do was, had, was getting somewhere initially but was now starting to go south. He, Debby and him didn't have a successful relationship together. I was being dragged into these things now on a daily basis, and I saw him looking for work. I think he thought he was completely unsupported here. Something had to change, and he had to go.

MR. HALTER: I have nothing further.

MR. BAKEN: I have no questions for the witness at this time, so we will thank you for his participation and consider his deposition to be closed.

THE REPORTER: Do you want a copy of this transcript?

MR. BAKEN: We agree we will

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both get our own copies of the transcript. That is fine.

(Time noted: 7:50 p.m.)

ACKNOWLEDGEMENT

STATE OF NEW YORK)
:SS
COUNTY OF New York

I, MATT PETERSEN, hereby certify that I have read the transcript of my testimony taken under oath in my deposition of August 20, 2015; that the transcript is a true, complete and correct record of my testimony, and that the answers on the record as given by me are true and correct.

____
MATT PETERSEN

Subscribed and sworn to before me this 2nd day of October, 2015

____
NOTARY PUBLIC

JACQUELINE PLANAS
Notary Public, State of New York
No. 01PL6240430
Qualified in New York County
Commission Expires April 28, 2019

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Sworn to before me
this 2nd day of October, 2015.

Notary Public

JACQUELINE PLANAS
Notary Public, State of New York
No. 01PL6240430
Qualified in New York County
Commission Expires April 28, 2019

Witness Signature